

At the meeting of the Public Service Commission of the State of Montana held at the Commission's Offices in Helena, Montana, on December 21, 2004, at 9:30 a.m. the following members were present:

Bob Rowe, Chairman
Thomas J. Schneider, Vice Chairman
Matt Brainard, Commissioner
Greg Jergeson, Commissioner
Jay Stovall, Commissioner- via telephone

APPEARANCE

Wayne Budt, Administrator
Transportation & Centralized Services Division

(278) In the matter of TN2241: Victor I. Pizzola dba Valley Taxi, Hamilton, Montana has submitted a rate reduction request to item 66 in his Passenger Tariff No. 1. The current rate is \$.63 per mile and if his reduction is approved will be \$.60 per mile.

Commissioner Brainard moved to approve the decrease. Commissioner Schneider seconded the motion, which passed unanimously.

(279) In the matter of TN2242, waiver of 38.3.3601: U.G., Inc. dba Capitol Taxi, Helena, Montana requests waiver of 38.3.3601, Fuel surcharge, to permit the continuance of their 5% fuel surcharge for an additional 60 days while they complete a rate increase procedure.

Commissioner Schneider moved to approve the waiver of 38.3.3601. Commissioner Brainard seconded the motion, which passed unanimously.

(280) In the matter of TN2243: James A. Jones dba Oilfield Maintenance Co., Gillette, WY requests permission to continue the lease of PSC No. 9297 to Kenneth W. Griffith dba Ken Griffith Excavating, Baker, MT for a 1 year period, December 28, 2004 to December 28, 2005.

Commissioner Stovall moved to approve the lease for the 1-year period. Commissioner Jergeson seconded the motion, which passed unanimously.

(281) In the matter of TN2244: Bayside Disposal, Inc. dba Disposal Service of Montana, Lewistown, MT requests permission to continue the lease of PSC No. 9412 to City of Cut Bank, MT for a 1-year period, January 18, 2005 to January 18, 2006.

Commissioner Jergeson moved to approve the lease for the 1-year period. Commissioner Brainard seconded the motion, which passed unanimously.

(282) In the matter of T-04.58.RI: Flathead Glacier Transportation LLC, Whitefish, Montana application for 17% increase of rates and charges.

Commissioner Schneider moved to approve the proposed increase with the stipulation that no protests are received and postmarked on or before December 20, 2004. Commissioner Brainard seconded the motion, which passed unanimously.

(283) In the matter of T-04.59.RI: Anaconda Chamber of Commerce, Anaconda, MT application for increase of rates and charges in their Passenger Tariff No. 1.

Commissioner Brainard moved to approve the increase with the stipulation that no protests are received and postmarked on or before December 20, 2004. Commissioner Stovall seconded the motion, which passed unanimously.

(284) In the matter of the approval of Commission Minutes:

Commissioner Stovall moved to approve the Commission Minutes for the week of December 20, 2004. Commissioner Brainard seconded the motion, which passed unanimously.

APPEARANCE

Monica Tranel
Legal Division

(285) In the matter of the Commission's discussion of Qwest Communications Corporation Tariff Transmittal QCC 03-01, Docket No.D2003.10.153:

Commissioner Schneider moved to approve the stipulation and the exhibit attached, and the adoption of the interim order as the final order. Commissioner Brainard seconded the motion, which passed 4-0. Commissioner Rowe abstained.

APPEARANCE

Leroy Beeby
Utility Division

(286) In the matter of the Commission's discussion of Qwest Competitive Response Promotion-Docket No. N2004.12.193:

Commissioner Schneider moved to approve the interim tariff contingent upon receipt of the protective order by January 5, 2005, followed by the necessary required protective information under the PSC Order. Commissioner Jergeson seconded the motion, which passed 4-0. Commissioner Rowe abstained.

APPEARANCE

Mike Lee- Utility Division
Martin Jacobson- Legal Division

(287) In the matter of the Commission's discussion of 3 Rivers Telephone Co-op, Inc. Petition for Designation as an eligible Telecommunications Carrier in Shelby, MT- Docket No. D2003.2.23:

Commissioner Jergeson moved to approve the final Order in Docket No. D2003.2.23. Commissioner Stovall seconded the motion, which passed 4-0. Commissioner Rowe abstained.

APPEARANCE

Monica Tranel
Legal Division

(288) In the matter of the Commission's discussion of Ronan and Hot Springs Request for Term Protective Order- Docket No. D2004.11.188 and D2004.11.187:

Commissioner Schneider moved to deny the motion for protection without prejudice in Dockets D2004.11.188 and D2004.11.187. Commissioner Brainard seconded the motion, which passed 4-0. Commissioner Rowe abstained.

Numbers 4 and 5 on the agenda were combined.

APPEARANCE

Gary Duncan- Utility Division
Monica Tranel- Legal Division

(289) In the matter of the Commission's discussion of Amendments to Interconnection Agreements and Agreements in Docket Numbers- D2003.11.158, D2002.11.148, D2001.6.75, D2004.10.170, D2004.11.176, D2002.9.108, D2004.1.2, D2002.12.156, D2001.9.125, D2001.6.79, D99.10.240, D2004.11.184, D2004.11.177, D2004.11.180, D2004.11.181, D2004.11.178:

Commissioner Jergeson moved to approve the line sharing agreements in Dockets D2004.11.177 (Contact); D2004.11.180 (Montana Wireless); and D2004.11.181 (Multiband), subject to rejection of section 3.2.3 in each of the agreements. Commissioner Schneider seconded the motion, which passed 4-0. Commissioner Rowe abstained.

Commissioner Schneider moved to approve the QPP Agreements in D2004.11.178 (Z-Tel) and D2004.11.179 (Northstar), subject to the rejection of section 8.3 (Disconnect notice requirements). Commissioner Jergeson seconded the motion, which passed 4-0. Commissioner

Rowe abstained

Commissioner Brainard moved to approve the agreement in Docket No. D2004.11.176 (Northstar), subject to the same terms and conditions of the AT&T-Qwest agreement. Commissioner Jergeson seconded the motion, which passed 4-0. Commissioner Rowe abstained.

Commissioner Brainard moved to approve the agreement in Docket No. D2004.11.184 (Comparters), subject to requiring additional language in section 7.3.4.2.3 concerning tandem charges. Commissioner Jergeson seconded the motion, which passed 4-0. Commissioner Rowe abstained.

Commissioner Jergeson moved to approve QPP amendments in Dockets D2001.6.75 (New Access); D2003.11.158 (Granite); D2002.11.148 (MCI); and D2001.6.79 (Z-Tel), subject to the Commission's determination that subsequent Interconnection Agreements between the parties are subject to the 252 filing requirement. Commissioner Schneider seconded the motion, which passed 4-0. Commissioner Rowe abstained.

Commissioner Brainard moved to approve the Line Sharing Amendments in Dockets D2001.9.125 (Contact); D2002.12.156 (Montana Wireless); and D99.10.240 (Multiband), subject to the Commission's determination that subsequent Interconnection Agreements between the parties are subject to the 252 filing requirement. Commissioner Schneider seconded the motion, which passed 4-0. Commissioner Rowe abstained.

Commissioner Brainard moved to approve Dockets D2004.10.170 (SBC), and D2004.11.176 (Northstar), except for the rejection of II.B and Section 1.0 as outlined by staff. Commissioner Schneider seconded the motion, which passed 4-0. Commissioner Rowe abstained.

Commissioner Brainard moved to approve the interim amendment to govern the dispute over traffic routing in Docket No. D2002.11.148 (MCI). Commissioner Jergeson seconded the motion, which passed 4-0. Commissioner Rowe abstained.

Commissioner Jergeson moved to approve the amendment in Docket No. D2002.9.108 (New Edge) concerning Expedites of Design Services. Commissioner Brainard seconded the motion, which passed 4-0. Commissioner Rowe abstained.

Commissioner Schneider moved to approve the amendment in Docket No. D2004.1.2 (XO), adding terms for special request processes. Commissioner Jergeson seconded the motion, which passed 4-0. Commissioner Rowe abstained.

APPEARANCE

Martin Jacobson- Legal Division
Mike Lee- Utility Division

(290) In the matter of the Commission's discussion of WWC Holding Company and Western Wireless Application for ETC in Docket No. D2003.1.14:

Commissioner Schneider moved with respect to the Order paragraph, the provision starting but be stricken and a period appear after 6492a, and to implement any other editorial and text changes required to make this consistent, and any other editorial changes by staff and commission be adopted. Commissioner Jergeson seconded the motion, which passed 4-0. Commissioner Rowe abstained.

APPEARANCE

Monica Tranel

Legal Division

(291) In the matter of the Commission's discussion of the Mid Rivers Petition to be ILEC in the Terry exchange, Docket No. FCC 04-252; WCF Docket No. 02-78:

Commissioner Jergeson moved to approve the comments of the Montana PSC before the FCC, along with the editing changes discussed. Commissioner Stovall seconded the motion, which passed 4-0. Commissioner Rowe abstained.

APPEARANCE

Al Brogan- Legal Division

Leroy Beeby- Utility Division

(292) In the matter of the Commission's discussion of NorthWestern Energy Tax Adjustment- Docket No. D2004.11.186:

Commissioner Jergeson moved to direct staff to prepare an Interim Order based on the Montana statute authorizing an increase on the electric side of \$415,434 and on the natural gas side of \$105,104, and to further investigate concerns of potential shifting of wholesale electric from choice to non-choice customers. Commissioner Schneider seconded the motion, which passed unanimously.

Commissioner Schneider moved to authorize use of Commission signature stamps on the Interim Order in this docket if Commissioners are not available to sign. Commissioner Brainard seconded the motion, which passed unanimously.

APPEARANCE

Robin McHugh- Legal Division

(293) In the matter of the Commission's discussion of NorthWestern Energy Motions for Waiver

of Time and Reconsideration- Docket No. D2001.10.144:

Commissioner Schneider moved to waive ARM 38.2.4806 as necessary and reconsider Order No. 6382e. Commissioner Jergeson seconded the motion, which passed unanimously.

Commissioner Schneider moved to grant NorthWestern Energy's motion and rescind Order No. 6382e, and to restore Protective Order No. 6382, subject to challenge by the media or other interested persons with standing. Commissioner Brainard seconded the motion, which passed unanimously.

Commissioner Schneider moved to deny NorthWestern Energy's petition for return or destruction of protected materials in D2001.10.144. Commissioner Jergeson seconded the motion, which passed unanimously.

APPEARANCE

Martin Jacobson- Legal Division

(294) In the matter of the Commission's discussion of Utility Service Standards Rules- Docket No. L-97.06.4-RUL:

Commissioner Jergeson moved to adopt the proposed notice of adoption with the deletion of proposed Rule VIII. Commissioner Schneider seconded the motion, which passed unanimously

(295) In the matter of the Commission's discussion of Pipeline Safety Rules- Docket No. L-04.11.9-RUL:

Commissioner Jergeson moved to adopt the proposed updated PSC Pipeline Safety Rules as noticed. Commissioner Brainard seconded the motion, which passed unanimously.

(296) In the matter of the Commission's discussion of EWM annual review of monthly gas tracker filings- Docket No. D2003.6.75:

Commissioner Schneider moved to adopt a Final Order to include language discussed concerning gas production and make the revisions discussed in paragraph 22 and 23. Commissioner Brainard seconded the motion, which passed unanimously.

APPEARANCE

Al Brogan- Legal Division
Will Rosquist- Utility Division

(297) In the matter of the Commission's discussion of annual default supply cost tracker filings-Docket No. D2003.6.77 and D2004.6.90:

Commissioner Rowe moved to transfer \$621,274 to the low income discount program, to remove USB issues from this docket, with the Order to be effective 11 days from issuance, and any parties objecting to this Order should have objections filed no later than 10 days from the Order. This Order is to be served on the service lists for both gas and electricity maintained by the Commission. Commissioner Brainard seconded the motion, which passed unanimously.

APPEARANCE

Wayne Budt, Administrator
Transportation/ Centralized Services Division

(298) In the matter of the Commission's discussion of T-04.40-PCN:

Commissioner Brainard moved to deny Ravalli County Council on Aging's motion for reconsideration. Commissioner Jergeson seconded the motion, which passed unanimously.

There being no further business to come before the Commission the meeting was adjourned.

BOB ROWE, Chairman

THOMAS J. SCHNEIDER, Vice Chairman

MATT BRAINARD, Commissioner

GREG JERGESON, Commissioner

JAY STOVALL, Commissioner

ATTEST:

Connie Jones
Commission Secretary

(SEAL)